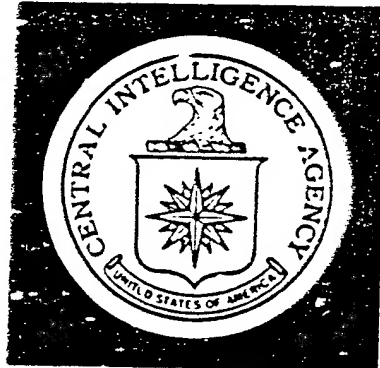


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DIRECTORATE OF  
INTELLIGENCE

# Intelligence Memorandum

*The Situation in Communist China*

**APPROVED FOR RELEASE**

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CENTRAL INTELLIGENCE AGENCY  
Directorate of Intelligence  
8 October 1971

INTELLIGENCE MEMORANDUM

The Situation in Communist China

Summary

The overriding feature of the Chinese scene remains the high tension within the ruling politburo. This was manifested early last month in an unprecedented decision to curtail the traditional 1 October National Day celebrations

Despite the reappearance of Mao Tse-tung on 8 October, the origins of the trouble are still shrouded in mystery; its progress and outcome are equally murky. We are, however, confident that Peking is faced with problems within the leadership and that these problems are critical ones. As the drama unfolds, it has seemed likely that its central theme revolves around a complex set of internal, rather than external, factors. In particular, there has been no evidence that it has disrupted the forward momentum in Sino-US relations or that it has involved new strains in Sino-Soviet bilateral relations. It also does not appear related to any escalation of tensions on the border, even in the aftermath of the crash of a Chinese transport in Mongolia.

We now believe that some sort of major leadership conclave opened in Peking the weekend of 11-12 September. [REDACTED] the Mongolian incident came on the night of 12-13 September. These

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events are possibly connected, but it seems likely that they were an effect and not the cause of the turmoil. If this is true, developments since mid-September seem best explained as a new and more critical manifestation of the behind-the-scenes power struggle which has wracked China's ruling politburo since it was formed in April 1969.

The deep-seated personal rivalries and policy disputes that surfaced during the Cultural Revolution probably are major ingredients of the heightened confrontation. We are less sure as to what may have served as the catalyst in the latest round and who the primary adversaries are at this juncture. One possibility is that a succession struggle has been precipitated by a dramatic change in the physical or political status of Mao's heir-designate, Defense Minister Lin Biao. It does, however, seem that Chou En-lai's position has been strengthened.

There are also no discernible repercussions on the nation's economy, which seems to be operating in a relatively pragmatic fashion.

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### The Question of Timing

1. There is good evidence that the ruling politburo members who are based in Peking went into a deep huddle on 11 September. Premier Chou En-lai canceled a session with a visiting Japanese delegation on that day and did not reappear in public until the 16th. With two exceptions, the remaining normally active politburo members were out of the limelight for the same period. Thus, the event or events which triggered the current upheaval probably occurred on or before 11 September. The date assumes added importance because it rules out the possibility that the still unexplained crash of a Chinese aircraft over Mongolia on the night of 12-13 September initiated the turmoil in Peking. The flight of the aircraft, however, may well be connected with the turmoil.

2. The most obvious result of the conclave was a decision to cancel the mammoth parade on National Day which has traditionally brought a full-scale leadership turnout headed by Mao Tse-tung and Lin Piao. Since illness or purge has never before caused an alteration of the scenario, the decision to cancel implied that 1) either Mao or Lin was seriously ill or incapacitated, or 2) the power equation within the politburo was in the process of being drastically altered. The omission of a ranked leadership show on National Day, Premier Chou En-lai's failure to host a reception or give his customary policy speech on the eve of the holiday, and the nonappearance of the customary National Day editorial all pointed in the same direction. Mao greeted Haile Selassie on 8 October, and cleared up one aspect of the mystery. The fact remains that Lin, three ranking military leaders at the center, and one regional commander--all politburo members--have not appeared publicly since 10 September. The political futures of some, or just possibly all, of these five may well be at the root of the current problems.

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What Triggered the Trouble?

3. The circumstances surrounding Mao's reappearance have not thus far shed any light on the role he played last month. According to the press Mao looked well when he greeted the emperor, but Mao will be 78 in December, and the possibility cannot be excluded that his physical condition may in some way have inhibited him temporarily from acting as an effective arbiter in a paralyzing quarrel between some of his powerful colleagues. Even if his vitality is not a question, it is possible that he may have run into some difficulty in coping with a succession problem arising from a decline in the physical or political status of Lin Piao. It is also conceivable that Mao's political authority has suffered during the course of the divisive campaign against the ultraleftist "May 16 Group" which was kicked off, possibly by Chou En-lai, in late 1969. Chen Po-ta, Mao's long-time personal secretary, has been purged during this campaign. Another of the radical ideologues in Mao's inner circle, Kang Sheng, had reportedly been stripped of all his party posts by late August.

4. The Chinese, who repeatedly denied that Mao was ill, have been far more circumspect about the condition of Lin Piao, who has not appeared since 3 June.

Though references to Lin continue in local domestic propaganda broadcasts, these have been formalistic and shed no light on his status. The regime's sensitivity on this score has been affirmed in a recent traveler's report that three people have been arrested in Canton for spreading rumors that Lin is ill.

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5. [REDACTED]

[REDACTED] Lin has been seriously ill for the past year and his condition became critical in early September. [REDACTED]

[REDACTED] is suggestive since it coincides with the remarks by Wang Kuo-chuan, a senior Chinese official who is thought to be close to Chou En-lai. Wang reportedly said that, as recently as late August, the leadership was discussing "group" or "collective" leadership after Mao dies.

6. The clear implication of Wang's remarks was that Lin's physical or political capacity had become a major question in Peking. Because of the lack of cohesion within the politburo and the fact that there is no clear line of succession to Mao which extends beyond Lin, his inability to carry on would be a sufficient cause of the present turbulence. Furthermore, even if Lin is not ill, it may be that a serious challenge has been posed to his authority by some of his colleagues in the politburo. There have been tenuous indications in recent years that some forces have not really accepted his designation as Mao's successor. Lin's record of support for extreme policies in the Cultural Revolution suggests that he probably has made more than a few enemies among military power-holders of conservative orientation. It seems safe to assume that Lin, lacking Mao's charisma, would not be able to rule China successfully without establishing effective working relationships with both Premier Chou En-lai and the principal central and regional military figures on the politburo. Lin could have made some serious miscalculation--by, for example, trying to purge suspected opponents within the military--and this could have precipitated the showdown in Peking.

#### The Military Hierarchy

7. China's top military men are involved and may even be pivotal figures in the current

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difficulties. Army chief of staff Huang Yung-sheng, air force commander Wu Fa-hsien, and navy political commissar Li Tso-peng have not appeared in public since 10 September. Huang ranks immediately below Lin Piao and would be a logical candidate to play the role of "kingmaker" if Lin is out of the picture, or, conversely, to lead the opposition in a struggle between Lin and the more conservative military leaders. The records of Wu Fa-hsien and Li Tso-peng during the Cultural Revolution suggest that they support radical forces in the leadership and that their positions would be seriously undermined if Lin has lost authority.

8. All of this is highly conjectural, but key provincial party and military appointments over the past year have favored officers who supported conservative forces during the Cultural Revolution. The process has not gone unchallenged, and some steps may have been taken in recent months to rectify the imbalance in appointments in at least the crucial Peking Military Region. Also, the current status of the conservative military boss in East China, political commissar Hsu Shih-yu, is in doubt. According to a T-7 broadcast last week, Hsu, who has been out of public view since June, has been replaced as commander of the Nanking Military Region. We do not yet know whether he has been given another important post or purged.

9. Huang Yung-sheng may be active behind the scenes despite the lapse in his personal appearances. A directive was issued over his signature as recently as 23 September. The position of Wu Fa-hsien is less certain.

In any event, the questions about Lin Piao's future, the absence of

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several top military figures, and signs of continuing divisions within the military hierarchy suggest that the current phase of the power struggle centers on the fortunes of ranking military figures--perhaps Lin Piao himself.

Chou En-lai and the May 16 Group

10. A key role in the ultimate denouement is likely to be played by Premier Chou En-lai. Chou gives every appearance of operating a going government. Moreover, he has been a prime mover in the behind-the-scenes jockeying for position between moderate and radical forces over the past two years. This has been carried on under cover of the so-called investigation of the ultraleftist "May 16 Group." The May 16 organization--backed by Chen Po-ta, Kang Sheng, and Madame Mao--attempted to undercut Chou's power during the Cultural Revolution. The current investigation, which may have been initiated by Chou, began in 1969 and has resulted in the purge of Chen and the political sidelining of Kang. Although it has been a divisive affair, claiming victims of both radical and conservative persuasion, Chou's own position appears to have been considerably strengthened.

11. The move against the radicals developed gradually, and it was not until 4 September that the May 16 Group was openly criticized. The pressure on radical leaders, including Madame Mao, has been a theme common to nearly all recent clandestine reports which try to explain the current scene in political terms. The prolonged controversy over the May 16 investigation is probably inhibiting an early resolution of the leadership tangle. The May 16 affair also has raised serious questions about Mao's authority

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[REDACTED]

Nevertheless, the May 16 issue has been around a long time, and it seems unlikely that it triggered the present troubles.

External Factors

12. There is no doubt that in China, as elsewhere, there is an interaction between events affecting domestic and foreign affairs. In China, however, it is usually domestic considerations that affect foreign policy, rather than the other way around. Only two foreign factors would appear to be of sufficient importance to have had a bearing on developments of the present magnitude. Neither really seems to fit the bill. The first is the President's prospective visit to China. This initiative has clearly been implemented by Chou En-lai. He and his more pragmatic or moderate associates, both military and civilian, are most unlikely to have problems with it. Mao's own prestige is thoroughly bound up with the visit; there is probably no event in post - Cultural Revolution China which more clearly has received his blessing. In these circumstances, it is very hard to believe that more radical elements who have suffered setbacks in recent months would attempt a comeback on such an issue.

13. The other factor is relations with the Soviets. This is a volatile issue, but we see no signs of a crisis with Moscow at this point.

[REDACTED]

[REDACTED] polemics have not been stepped up; and the talks in Peking are going on in routine fashion. To be sure, some of the populace

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[REDACTED]

has been warned about Russian "pressures," and numerous "war preparations" instructions have been issued since mid-September. This theme, however, seems to have been seized on by some to provide a popular rationale for developments. The measures involved seem primarily related to maintaining troop control and to tightening internal security.

#### The Great Air Standdown

14. There is very likely a relationship between the political difficulties described, [REDACTED] and the mysterious crash of a Chinese aircraft in Mongolia.

[REDACTED]


#### The Crash

16. Both Mongolian and Soviet press reports claim that the crashed aircraft was a jet and suggested that it was subordinated to the military.


[REDACTED]

[REDACTED] China has

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idents (British planes similar to Boeing's  
tained from Pakistan. They are under mili-  
ntrol for VIP use.



. The Chinese have explained that the lost  
t was a civil liner that had navigation prob-  
We think we have, however, been able to account  
high-performance civilian airliners (except  
Trident) since the crash date. Moreover, there  
known domestic civil flights along China's  
with Mongolia, and the only civil Chinese  
to the Soviet Union which pass near the area  
Wednesdays, during the day. (The crash was  
onday.)

. If the aircraft that crashed in Mongolia  
ed a Trident out of Peking, the flight may  
volved an attempted defection, but this is  
certain.



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14 Sept

Air France makes flight from Rangoon into Shanghai and two Chinese civil flights connected with Air France.



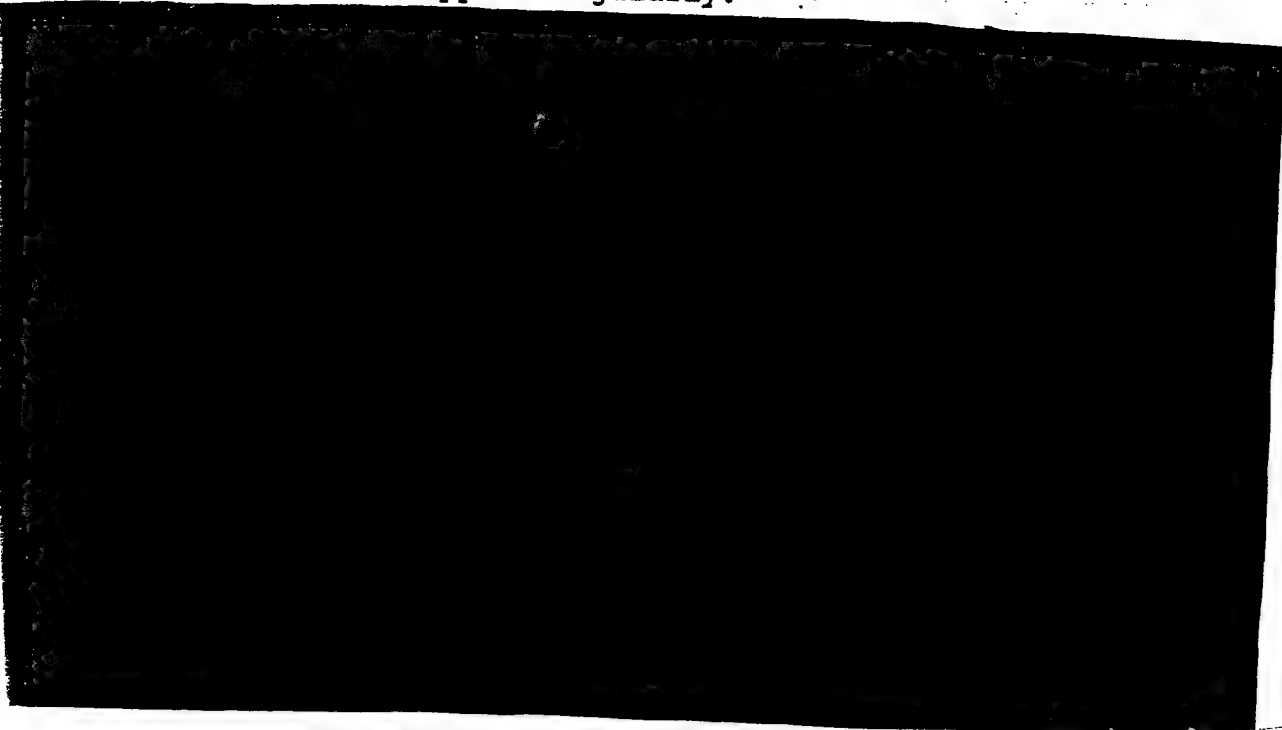
15 Sept

Civil aircraft resume flights on a reduced scale;



16 Sept

Premier Chou resumes normal schedule of appearances; other civilian politburo members and senior general Yeh Chien-ying also begin to appear regularly.



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21 Sept

Newsman in Peking report that the preparations for the National Day parade that had been under way since late August were suspended sometime during the week of 12-18 September.




22 Sept

Spokesmen of the Ministry of Foreign Affairs in Peking inform diplomatic community that changes in National Day scenario merely a "reform."

22 Sept

Army Logistics Chief Chiu Hui-tso shows up at diplomatic reception; first active military leader to appear since 10 September; Li Ts-sheng, director of the GPD, shows up on 24 September.



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23 Sept

Provincial radiobroadcast from Anhwei identifies a new man in the post of Nanking Military Region commander, raising questions about the current status of Hsu Shih-yu; Hsu has not been seen since 6 June.

24-28 Sept

Vice Premier Li Hsien-nien leads government economic delegation to North Vietnam.

25 Sept

People's Daily article lashes out against unidentified members of "Confucius shop"; hints that on the one hand the Soviets have been trying to utilize this group while threatening "nuclear blackmail" on the other.

29 Sept

Ministry of Foreign Affairs spokesman in Peking informs diplomatic community that Chou's traditional banquet on the eve (30 September) of National Day will be replaced by a reception sponsored by the MFA.

30 Sept

TASS announces on the morning of 30 September that a Chinese aircraft crashed in Mongolia on the night of 12-13 September; Soviets claim that it was a military plane;



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Chinese diplomats in Moscow acknowledge that there was a crash but insist that it was a civil aircraft that had committed a navigation error.

30 Sept

Peking fails to publish usual editorial on the eve of National Day

2-3 Oct

Press report from France claims that foreign trade minister Pai Hsiang-kuo, on a tour of the provinces, was awakened in the middle of the night of 2-3 October by Chinese Embassy officials who made a special 135-mile trip from Paris.

5 Oct

Chinese trade delegation presently visiting Denmark informed Copenhagen Foreign Office at 0400 hours in the morning that they had "just received" instructions from Peking requiring their return on 10 October, one day earlier than scheduled, in order to attend "a meeting."

5 Oct

Washington and Peking announce simultaneously that Dr. Kissinger will visit Peking in the latter part of October to make

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"concrete arrangements" for the President's trip; Peking announcement released at 1000 hours, 5 October, Washington time.

8 Oct

Mao Tse-tung received visiting Ethiopian Emperor Haile Selassie, according to press sources close to the Ethiopian delegation. Mao reportedly looked well.